

EXHIBIT 12



Richard Blanchette

04/26/04 10:53 AM

To: Angelina Casey/Western/CFI@CFI
 cc:
 Subject: COPART Property #2441854323

Corrections to policy.
 Please review, let's discuss and prepare the changes

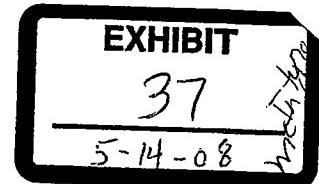
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 Crum & Forster - San Francisco
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----- Forwarded by Richard Blanchette/Western/CFI on 04/26/04 07:44 AM -----

Patrice.G.McIntyre@m
arsh.com

04/25/04 01:07 PM

To: Richard_Blanchette@CFINS.com
 cc:
 Subject: COPART Property #2441854323



Hello Richard:

After a recent review of the subject policy, we have noted the following items in need of correction or in question:

OK The TIV on Schedule of Locations [FM206.0.3 04 94] reads as \$319,513,647. It should be \$323,809,829 per our final SOV submitted and your final revised binder sent to Steve Raffo on 10/7/04.

OK *Typo* The Boiler/Loss to Objects limit indicated on the Sub-Limits of Insurance form FM206.0.5 (1199) shows as \$10mm. [It should be \$1mm and is shown correctly elsewhere in the policy tho].

OK *Carrie* *OK* Re: Business Income Dec Page FM600.0.1123 - Shouldn't Agreed Value be indicated on this particular form?

OK Re: Property Dec Page FM600.0.1113 - Assume the "0%" equals Agreed Amount?

OK Re: EQSL sub-limit of \$1mm is listed on Form FM206.0.5 (1199) but not on the Dec form FM600.0.1122. Should it be listed there as well? Also, confirm the AOP deductible of \$50,000 applies to EQSL?

We think modifications are needed to exclusions in the Property form:

OK a) Page 2. Property Not Covered para c. "Automobiles held for sale" should be removed. This is a key function of their operations

see *OK* b) Valuation for Stock - I think we need to add wording for valuations applicable to "Stock consisting of motor vehicles held for sale or resale by the insured" as per expiring policy with Royal which is:

the lesser of:

1. Actual Cash Value
2. Actual Cost to Repair
3. Appraisal Value according to ProQuote System.

Angelina Casey
 5/10/04
 MAY 26 2004

OK c) Believe that the Electrical, Mechanical Breakdown exclusions should be removed, i.e. Boiler and EDP coverages.

Per your e-mail to Steve Raffo on 9/29/03, you were going to eliminate the following sub-limits. Each are scheduled as such on Form FM206.0.5 (1199):
Stock: \$13,700,000
EDP: \$12,157,000
Contractors Equipment: \$6,200,000
BI: \$4,600,000

Thanks, please let me know if any questions or concerns.

Patrice

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